

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF NEW YORK



UNITED STATES OF AMERICA,

v.

18-CR-108-EAW

ROBERT MORGAN, FRANK GIACOBBE,
TODD MORGAN, AND MICHAEL TREMITI,

Defendants.

STIPULATION BY AND AMONG THE UNITED STATES OF AMERICA, ROBERT MORGAN, AND CRANBERRY VISTA APARTMENTS, LLC RELATED TO FORFEITURE ALLEGATIONS AGAINST EDEN SQUARE UNDER SUPERSEDING INDICTMENT 18-CR-108 EAW (DKT. NO. 42)

With regard to the United States of America's Forfeiture Allegations against the premises, buildings, appurtenances, improvements, and real property at 9000 Old Station Road, Cranberry Township, Pennsylvania, a multi-family residential apartment complex owned by Cranberry Vista Apartments, LLC, ("Eden Square") under Superseding Indictment 18-CR-108-EAW at pp. 51-57 (the "Eden Square Forfeiture Allegations"), the United States of America, Robert Morgan, and Cranberry Vista Apartments, LLC (collectively the "Parties") hereby stipulate as follows:

1. Whereas Eden Square is a real property subject to forfeiture allegations in the Superseding Indictment 18-CR-108-EAW (Dkt. 42) (the "Superseding Indictment"), incorporated herein by reference.
2. Whereas on July 9, 2019, the United States of America filed a Notice of Pendency against Eden Square attached hereto as **Exhibit A**.

3. Whereas the Parties wish to see the effectuation of the Eden Square transaction set forth in the purchase and sale agreement entered into on May 2, 2019 for Eden Square, by and between Cranberry Vista Apartments, LLC and Freshcorn Square, DE 1 LLC and Freshcorn Square DE 2 LLC, or any subsequent purchase and sale agreement as agreed upon by and between Cranberry Vista Apartments LLC and a bona fide purchaser (the “Sale”).
4. The Parties agree that all the debt and outstanding obligations secured by the loan agreement between Cranberry Vista Apartments, LLC and Ladder Capital Finance, LLC (“Ladder”) for Eden Square dated May 19, 2017, and any amendments thereto, shall be paid to Ladder from the gross proceeds of the Sale. In addition, after such payment to Ladder, all reasonable and customary costs and expenses from the Sale shall be paid from the remaining Sale proceeds.
5. All Sale proceeds remaining after the aforementioned payments in paragraph 4 (the “Net Proceeds”) shall be sent to an account to be identified by Mr. Robert Knuts, the court appointed receiver in *Securities and Exchange Commission v. Morgan, et al.*, 19-CIV-661EAW (the “Receiver”), for the purpose of repaying advances made by the Receivership Entities (as defined in the Order Appointing Receiver (Dkt. 39) and clarified by the Stipulation and Order (Dkt. 49) in *SEC v. Morgan, et al.*) for the benefit of Eden Square (the “Notes Fund debt”).
6. The United States of America agrees to dismiss the Eden Square Forfeiture Allegations in the Superseding Indictment and, upon the Receiver’s receipt of Net Proceeds as set forth in paragraph 5, the United States of America hereby agrees to file on the docket a motion to strike the Eden Square Forfeiture Allegations from the Superseding Indictment.

7. The United States of America hereby agrees that, upon the Court So Ordering this Stipulation, the United States of America will not seek any criminal, civil, or administrative forfeiture of Eden Square or any substitute property up to the value of Eden Square pursuant to Title 21, United States Code, Section 853(p).
8. The United States of America hereby agrees to release the Notice of Pendency, (**Exhibit A**) against Eden Square. Nothing in this Stipulation may be construed as the United States of America conceding that the Notice of Pendency filed in this action was improper in any manner. Upon the Court So Ordering this Stipulation, the Parties agree that Cranberry Vista Apartments, LLC will file with the Butler County Prothonotary's Office the Release of Notice of Pendency attached hereto as **Exhibit B**.

Dated: July 26, 2019

THE UNITED STATES OF AMERICA

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SO ORDERED:



Hon. Elizabeth A. Wolford

7-26-2019